

*(Report prepared by the Office of Thomas J. Martin in association with Heritage Partners, Inc., for the National Park Service, 1999.)*

## SECTION I: INTRODUCTION

The purpose of this study is to evaluate the economic impact of the Champlain Valley heritage preservation options. This report documents the characteristics of the Champlain Valley Study Area, as defined by the National Park Service, the current visitor activity in the region, the four options being considered by the National Park Service, and the estimated economic impacts from each of the options.

This report contains the following data and analyses:

### **Champlain Valley Heritage Corridor Project Description:**

a definition of the study area, and a brief discussion of the proposed project.

**Baseline Analysis:** identification of the size, characteristics, and activity of available markets and analysis of travel pattern indicators for the region.

**Framework for Evaluation:** a discussion of the four options—1) continuation of current activities 2) provincial and state heritage corridor 3) national heritage corridor 4) quadricentennial commemoration—and assumptions about timing for each of the options.

**Economic Evaluation of Options:** a discussion of economic impacts of each option with an emphasis on new visitation to heritage corridor communities and economic activity associated with new visitation.

### **Assumptions**

In preparing this study, the following assumptions were made. This study is qualified in its entirety by these assumptions. Every reasonable effort has been made in order that the data contained in this report reflect the most accurate and timely information possible, and it is believed to be reliable. This study is based on estimates, assumptions, and other information developed by the Office of Thomas J. Martin from its indepen-

dent research effort, general knowledge of the industry, and consultations with representatives of the client. No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives, other consultants, or any other data source used in the preparation of this study. No warranty or representation is made that any of the projected values or results contained in this study will actually be achieved. There usually will be differences between forecasted or projected and actual results, because events and circumstances usually do not occur as expected, and other factors not considered in the study may also influence actual results.

This report will be presented to third parties in its entirety and no abstracting of the report will be made without first obtaining permission of the Office of Thomas J. Martin. This report may not be used for any purpose other than that for which it was prepared. This report was prepared during March through May 1999. It represents data available at that time.

## SECTION II: CHAMPLAIN VALLEY STUDY AREA

### **TOURISM BASELINE**

The purpose of this section of our report is to document the characteristics of the Champlain Valley Study Area as defined by the National Park Service and to establish a baseline of the current visitor activity and tourism infrastructure in the region.

The following topics are included:

**Champlain Valley Study Area Project Description**—a definition of the study area and a brief discussion of the proposed project;

**Champlain Valley Study Area Tourism Infrastructure**—a review of tourism infrastructure in the region;

**Baseline of Tourism in the Champlain Valley Study Area**—documentation and review of tourism indicators in the Lake Champlain region (Vermont, New York, and Quebec).

## THE CHAMPLAIN VALLEY HERITAGE CORRIDOR PROJECT

The Champlain Valley Region is steeped in both natural and cultural history, and accordingly its many natural and historic sites are popular destinations for tourists throughout the year. The focal point of the Champlain Valley Region is Lake Champlain, the sixth-largest freshwater lake in the United States, extending for 120 miles along the borders of New York and Vermont, between the Adirondack and Green Mountain ranges.

In an effort to recognize the Region's historic resources, Senator James Jeffords of Vermont asked the National Park Service to assess the suitability of heritage corridor designation in the region. The purpose of the NPS study is to evaluate whether the resources of the Champlain Valley merit additional National Park Service involvement in their protection and interpretation.

For the purposes of this socioeconomic evaluation, the Champlain Valley Study Area includes:

**New York**—Clinton, Essex, Warren, Saratoga, and Washington Counties

**Vermont**—Grand Isle, Franklin, Chittenden, Addison, and Rutland Counties

**Quebec**—Le Bas-Richelieu, La Vallée-du-Richelieu, Rouville, and Le Haut-Richelieu Regional Municipal Counties

Although the area is geographically vast, the resident population of the area is fairly small. Data in Table II-1 show the resident population of the area encompassed by the Champlain Valley Study Area.

Table II-1

## Champlain Valley Study Area Estimated Resident Population

New York		
	Clinton	76,500
	Essex	38,200
	Warren	61,800
	Saratoga	196,200
	Washington	61,000
	<b>Total</b>	<b>433,700</b>
Vermont		
	Franklin	43,900
	Grand Isle	6,100
	Addison	34,700
	Rutland	62,300
	Chittenden	143,000
	<b>Total</b>	<b>290,000</b>
Quebec		
	Le Bas-Richelieu	53,530
	La Vallée-du-Richelieu	94,871
	Rouville	28,700
	Le Haut-Richelieu	82,401
	<b>Total</b>	<b>259,502</b>
	<b>Total Population</b>	<b>983,202</b>

Source: Sales and Marketing Management, 1998 Survey of Buying Power, and Anne Drost, *International Corridors of Culture: Working Towards a Heritage Corridor in the Champlain/Richelieu Valley, 1998*.

## TOURISM INFRASTRUCTURE IN THE CHAMPLAIN VALLEY REGION

This section of the report discusses the existing tourism infrastructure and current heritage sites and attractions within the study area. The purpose of this section is *not* to perform an inventory of specific sites, attractions, and facilities, but rather to profile selected attractions and infrastructure indicators. These

data will be used to gauge the capacity of the region to support additional visitation and will guide and inform the assessment of Champlain Valley heritage preservation options as proposed.

### Infrastructure

Historically, tourism has been an important component of the local economies in the regions of Vermont, New York, and Quebec that fall within the study area. Today, tourism continues to play an important role, as access to rural areas has improved, and more and more people are traveling.

The Champlain Valley is within easy access of the major metropolitan markets of New York City, Albany, Montreal, and Boston, as Interstate 87 runs north/south through the study area from New York City to Montreal, and Interstate 89 runs northwest from Concord, New Hampshire, to the border of Vermont and Quebec north of St. Albans. Both of these routes carry high volumes of traffic through the Champlain Valley Region. In addition, the Lake Champlain ferries transport passengers and vehicles across Lake Champlain year-round, allowing touring visitors to experience both New York and Ver-

mont attractions without excessive travel times. For those who prefer not to drive, several bus tour companies operate within the Study Area and offer both heritage and natural attraction itineraries. Also, Amtrak provides scheduled rail passenger service to both sides of the Lake.

### Heritage Attractions and Historic Sites

The Champlain Valley Region has numerous heritage attractions, from forts and battlegrounds to underwater archaeological sites.

While an inventory of heritage sites and attractions in the Champlain Valley has been completed by Associates in Rural Development, Inc.,<sup>1</sup> data in Table II-2 show characteristics of some of the larger attractions within the study area.

Visitation and seasonality of these selected attractions provide an indicator of the current level of infrastructure development already existing within the study area.

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The data in the table indicate that most of the attractions

**Table II-2**

#### Attendance of Selected Heritage Attractions within the Champlain Valley Study Area

Attraction/Location	Estimated Annual Attendance	Operating Season
Saratoga National Historical Park, Saratoga, NY	250,000 (battlefield) 75,000 (visitor center)	Year-round
Shelburne Museum, Shelburne, VT	150,000	May to October
Fort Chambly, Chambly, Quebec	133,931 <sup>2</sup>	March to November
Ft. Ticonderoga, Ticonderoga, NY	99,000	July to October
Wilson Castle, Proctor, VT	75,000	May to October
Shelburne Farms, Shelburne, VT	65,000	May to October
Fort Lennox, Saint-Paul-de l'Île-aux-Noix, Quebec	42,849	May to October
New England Maple Museum, Pittsford, VT	25,000	March to December
Lake Champlain Maritime Museum, Vergennes, VT	25,000	May to October
Ethan Allen Homestead, Burlington, VT	13,000	May to October (by appt. in off-season)

Source: Champlain Valley Heritage Corridor Inventory, The Official Museum Directory, AAM, Tourism Quebec, and the Office of Thomas J. Martin.

<sup>1</sup> 1998 Champlain Valley Heritage Corridor Inventory, Associates in Rural Development, Inc.

<sup>2</sup> Attendance for the months of June, July, August and September only.

operate seasonally, as the most popular months to visit these regions are in the spring, summer, and fall when the weather is warm. Visitation ranges from 13,000 at the Ethan Allen Homestead to 250,000 at the Saratoga National Historical Park. Most of the heritage attractions and historic sites within the corridor record modest visitation levels. Fort Ticonderoga is one of the most popular sites in the New York portion of the study area, with 99,000 annual visitors, while the Shelburne Museum is one of the most popular attractions in the Vermont portion of the Study Area, attracting 150,000 annual visitors. Vermont, New York, and Quebec have many small attractions, such as town museums and historic houses that only attract a few thousand visitors annually. Fort Chambly and Fort Lennox are popular attractions within the Quebec portion of the Study Area, attracting an estimated 134,000 and 43,000 visitors respectively, during the four-month period, June to September. These moderate levels of visitation to the region's historic sites and attractions suggest that visitors to and residents of the region already have substantial interest in heritage tourism.

### Accommodations

Within the Champlain Valley, accommodations are abundant, ranging from bed and breakfasts and inns to budget hotels/motels to upscale lodges to campgrounds. The New York portion of the study area offers by far the greatest number of accommodations the majority of which are hotels or motels; however, Vermont has the greatest number of bed and breakfast accommodations. Campgrounds are abundant throughout the study area, particularly in New York. The presence of several national hotel operators indicates a well-developed tourism economy. Data in Table II-3 show the type of accommodations in the region and provide a listing of national hotel operators. The type of national hotel operator provides an indication of the target market. The large number of budget hotel/motel chains indicates that the market is geared toward families and tourists with moderate income. Conversely, the presence of more up-market chains such as Sheraton and Hilton, indicates that there is substantial business travel in the region, and that the tourism market is geared toward all income levels.

**Table II-3**

### Accommodations within the Champlain Valley

#### Study Area

Region	Number of Properties		
	Hotel/Motel	B&B/Inn	Camp
New York <sup>3</sup>	538	146	25
Vermont <sup>4</sup>	121	152	110
Quebec <sup>5</sup>	60	34	29
<b>Totals</b>	<b>719</b>	<b>332</b>	<b>164</b>

*Source: Vermont Lodging Directory, I Love NY Adirondack Region Accommodations Guide. Washington County Chamber of Commerce Accommodations Listing. Saratoga County Chamber of Commerce 1998 Accommodations Listing. Tourism Quebec, Tourist Guide to Monteregion and Eastern Townships.*

### Lake Champlain Ferries

The Lake Champlain Ferries provide the only transportation link across the Lake between New York and Vermont for nearly 70 miles, between the bridge north of Alburg, VT southward to the bridge at Crown Point, New York. Three ferries run year-round from Plattsburgh, NY to Grand Isle, VT (twelve-minute crossing time), Burlington, VT to Port Kent, NY (1-hour crossing time), and Essex, NY to Charlotte, VT (20-minute crossing time). Data in Table II-4 show Lake Champlain Ferry fares for 1998-1999.

<sup>3</sup> Hotel chains include: Best Western, Comfort Inn, Days Inn, Econo Lodge, Holiday Inn, Howard Johnson, Radisson, Ramada, Sheraton, Super 8, Travelodge.

<sup>4</sup> Hotel chains include: Best Western, Budgetel, Comfort Inn, Days Inn, Econo Lodge, Hilton, Holiday Inn, Howard Johnson, Quality Inn, Ramada Inn, Super 8, Travelodge.

<sup>5</sup> Hotel chains include: Comfort Inn, Days Inn, Holiday Inn, Ramada.

Table II-4

## 1998 –1999 Round-Trip Lake Champlain Ferry Fare

	Car and Driver	Adult Passenger	Child (6-12)
<b>Ferry</b>			
Burlington/Port Kent	\$23.00	\$5.75	\$2.25
Grand Isle/Plattsburgh	\$12.25	\$3.25	\$1.00
Charlotte/Essex	\$12.25	\$3.25	\$1.00

Source: 1998, Lake Champlain Transportation Company.

The ferries transport an estimated 500,000 people a year between New York and Vermont.<sup>6</sup> In 1996, the School of Natural Resources at the University of Vermont conducted a study of the Lake Champlain ferries. Following is a summary of some of the key findings from the study:

- The Ferries carry approximately 200,000 *tourists* across the Lake annually.
- Over one-third of ferry passengers are tourists on a multi-day vacation to the region.
- Although most passengers (70.2 percent) use the ferries for local transportation, 29.8 percent use the ferries as a through-link to destinations beyond the greater Lake Champlain Region.
- The most popular heritage tourism attractions visited by ferry passengers were the Shelburne Museum (14.6 percent), and Ft. Ticonderoga (10.1 percent).
- The majority of passengers are on one-day trips (59.8 percent) of which 7 percent were on pleasure drives.

• Shopping and pleasure driving were the two most popular travel-related activities that passengers participated in while on their trips (30.7 percent and 25.1 percent participation, respectively). Visiting museums and historic sites was also popular (14.2 percent participation).

• The Burlington/Port Kent ferry is more likely to serve pleasure travelers than the Grand Isle/ Plattsburgh and Essex/Charlotte ferries that serve more business and commuting travelers.

• New York residents of the region ride the Grand Isle/ Plattsburgh ferry more often than Vermont residents of the region, and Vermont residents ride the Charlotte/Essex ferry more frequently than New York residents of the region do.

• Vermont passengers are less interested than New York passengers in heritage and agricultural tourism and factory tours.

#### Marketing/Regional Awareness

Despite the relatively high volume of visitors to the region annually and the well developed infrastructure in terms of access, accommodations, and transportation, several of the studies that were reviewed indicate that there is a need for enhanced advertising and marketing efforts by regional attractions. Both the Ambrosino Research, Inc., study for the Adirondack Regional Tourism Council and the MarketReach, Inc., study for the Lake Champlain Basin Program conclude that visitors to the region lack awareness of specific attractions and that word of mouth is one of the most important ways visitors learn about the region and specific attractions. In the Executive Summary of the Lake Champlain Economic Database Project, Homes and Associates and Anthony Artuso conclude: "there is an obvious lack of a Lake Champlain focus in tourism information, research, planning, or development; also, there is little coordination between tourism entities in New York, Vermont, and Quebec. The MarketReach, Inc., study also concludes that there is little cross-promotion of sites and that only six percent of heritage site visitors in the area learned about the site by visiting another site. Further, only eleven percent of site visitors learned about the site through advertising.

<sup>6</sup> 1996 Lake Champlain Ferries Study, UVM School of Natural Resources

## TOURISM BASELINE IN THE CHAMPLAIN VALLEY STUDY AREA

This section of the report identifies the size and characteristics of available tourism markets for the Champlain Valley Study Area. As is typical in assessing tourism markets, there is no definitive estimate of the number of tourists to the region. When reviewing the various available indicators of tourist activity, care must be exercised to avoid double counting of visitors or of including the activities of the local population as tourist activity. Ultimately, several sources have been utilized to gauge the level of tourism activity within the study area.

Although no economic studies to date have focused exclusively on the Champlain Valley as defined by the National Park Service, there have been a number of studies that have focused on tourism activity within the Lake Champlain Basin (LCB), a region similar in geographic area to the study area. Much of the data in this report is drawn from the LCB studies; however, other regional sources have been used to investigate activity in the regions that differ between the Lake Champlain Basin and the Champlain Valley study area. Tourism indicators such as current levels of visitor volume, trip expenditures, and trip duration documented in this report will be used as a baseline for analysis of the heritage preservation options.

The following discussion reviews the general tourism characteristics of Vermont, the Adirondack Region of New York, and the Province of Quebec, followed by a detailed examination of tourism activity within the Lake Champlain Basin.

### Vermont Tourism

Vermont is lauded for its natural beauty and tranquility, year-round recreational opportunities, and traditional New England way of life. Accordingly, tourism is the second largest industry in the State, generating over \$2 billion in annual revenues and over \$77 million<sup>7</sup> in rooms and meals tax alone. Visitors

to Vermont seek out historic and natural attractions all across the state; however, the Central and South Central Mountain regions of the state appear to be most popular with visitors during all seasons of the year. The Champlain Valley and Southern Regions of Vermont are also popular. The least visited regions of the state include the Northeast Kingdom and the Capitol Region. Vermont's tourism industry is primarily regional, drawing heavily from New York, Massachusetts, Connecticut, and New Jersey markets, in addition to attracting visitors from the provinces of Quebec and Ontario.

In 1994, there were an estimated 21.2 million trips to the state, with a total of 11.5 million day trips, 7.9 million total overnight trips, and 1.8 million pass-through trips (where visitors passed through Vermont on their way to other destinations).<sup>8</sup> On average, summer/fall 1996 visitors spent approximately four nights in Vermont during their trip, while winter 1996 visitors spent on average 3.76 nights. Not surprisingly, many Vermont visitors have been to the state on a previous visit, and some estimates of repeat visitation run as high as 80 percent of visitors, as indicated by the 1996 Summer/Fall UVM Tourist Inquiry.

### *Trip Purpose of Overnight Travelers*

Visitors to Vermont come to the state for many reasons. Data in Table II-5 show the trip purpose for overnight travelers to Vermont.

As indicated by data in Table II-5, Vermont relies heavily on the touring visitor segment, as 18 percent of all overnight visitors are on touring vacations.<sup>9</sup> Touring vacationers generally cover a lot of ground while in the state and take in many different types of attractions. Vermont touring vacationers tend to be older and often retired, with an average age of 49, and are more interested in history and culture. These visitors also plan ahead, using auto clubs, magazines, and state and local tourism bureaus extensively to assist in trip planning.<sup>10</sup>

<sup>7</sup> FY98, Vermont Department of Taxes

<sup>8</sup> Vermont Department of Travel and Tourism and Vermont Ski Areas Association, 1994 and 1995 Travel Statistics.

<sup>9</sup> Longwoods International 1994-1995, Vermont Customer Research.

<sup>10</sup> Longwoods International 1994-1995, Vermont Customer Research.

Table II-5

**Trip Purpose of Overnight Travelers to Vermont**

<b>Trip Purpose</b>	<b>Percent of Total</b>	<b>Estimated Travelers By Trip Purpose</b>
Visit Friends & Relatives	39%	3,081,000
Touring	18%	1,422,000
Ski	10%	790,000
Outdoors	8%	632,000
Special Event	7%	553,000
Country Resort	4%	316,000
Business/Pleasure	3%	237,000
Other Pleasure	4%	316,000
Total Pleasure	93%	7,347,000
Business	7%	553,000
<b>Total Travelers</b>	<b>100%</b>	<b>7,900,000</b>

Source: Longwoods International 1994-1995, Vermont Customer Research.

**Vermont Taxable Room Rental Receipts**

The total taxable room rental receipts of the counties that fall within the Champlain Valley Study Area were in excess of \$80 million dollars in Fiscal Year 1996-1997. Chittenden County's receipts alone were in excess of \$40 million, highest of all Vermont counties. Rutland County also had high tax revenues from room rentals (an estimated \$28 million), most likely associated with Rutland as a winter ski destination.<sup>11</sup>

**Visitor Spending**

Data in Table II-6 segment the \$2.08 billion travel and tourism expenditures in Vermont in 1994 by sector.

Table II-6

**Vermont Tourism Expenditures**

<b>Sector</b>	<b>Percentage of Total Expenditures (%)</b>
Retail	30%
Lodging	24%
Food and Restaurants	24%
Local Transportation	10%
Skiing	6%
Sightseeing/Recreation/Entertainment	6%

Source: Longwoods International 1994-1995, Vermont Customer Research.

When travel and tourism expenditures are segmented by county, Rutland and Chittenden counties show the highest expenditures in 1994-1995. Data in Table II-7 list total travel and tourism expenditures in the counties within the Champlain Valley Study Area for 1994-1995.

Table II-7

**Travel and Tourism Expenditures by County, 1994-1995**

<b>County</b>	<b>Expenditure (millions of dollars)</b>
Rutland	\$ 375
Chittenden	\$ 338
Addison	\$ 51
Franklin	\$ 33
Grand Isle	\$ 13

Source: Longwoods International 1994-1995, Vermont Customer Research.

<sup>11</sup> VT Department of Employment and Training, Vermont Travel and Tourism Activity, 1996-1997.

The following discusses tourism in the Adirondack Region of New York State.

### **Tourism in the Adirondack Region of New York**

New York State ranked fourth among all states for total travel in 1997, receiving 4.2 percent of all US travel.<sup>12</sup> Although much of the travel in the state is geared toward New York City, the Adirondack Region is a popular destination for many travelers. The Adirondack Region of upstate New York is vast and includes eight counties;<sup>13</sup> the Adirondack Park alone encompasses over six million acres. While the region is primarily favored for its wilderness setting and abundant recreational and nature-based opportunities, the area is also steeped in history and includes a former Olympic site. Based on a study conducted during 1992-1993 for the Adirondack Regional Tourism Council by Ambrosino Research Inc., over nine million people are estimated to visit the Adirondack Region annually. This is likely a very conservative estimate, given that the Warren County Department of Planning and Tourism estimates that from 1997-1998 there were over 8.9 million visitors to Warren County alone, 52 percent of whom were day-trippers.<sup>14</sup> The inconsistencies may result from the use of different methodologies in arriving at estimates of visitor volume. The Ambrosino study uses telephone and on-site interviews to project visitation, while the Warren County study uses actual attendance at campgrounds and hotels and motels. The following discussion highlights other Adirondack Region tourism characteristics based on findings from the 1992-1993 Ambrosino Research, Inc., study for the Adirondack Regional Tourism Council.

### **Primary Trip Purpose**

As the Adirondacks are primarily a wilderness setting, the majority of both winter and summertime visitors indicated that their primary trip purpose was "outdoor recreation." Data in Table II-8 show the primary trip purpose of visitors by season.

**Table II-8**  
**Trip Purpose of Adirondack Visitors**

	Summer	Winter
Trip Purpose	Visitors	Visitors
Outdoor Recreation	69%	69%
Entertainment	25%	26%
Visit Friends/Relatives	14%	21%

*Source: NYS Adirondack Regional Marketing Research Project, Ambrosino Research, Inc.*

*Note: Multiple responses.*

### **Length of Stay**

The Ambrosino Research, Inc., study reports that visitors to the Adirondack Region have average trip durations of 4.5 days in the summer and 3.6 days in the winter months.

### **Accommodations Use**

Reportedly, an estimated one-third of all visitors to the region stay in either a hotel or motel, one-tenth stay with friends or relatives, and one-quarter of summer visitors camp. Data in Table II-9 show the types of accommodations used by both winter and summer visitors to the Adirondacks. The data are segmented by residence of visitor, United States versus Canada.

<sup>12</sup> 1997 New York State Domestic Travel Report, D.K. Shifflet and Associates.

<sup>13</sup> Three out of eight of these counties are within the Study Area, including Clinton, Essex and Warren Counties.

<sup>14</sup> Non-resident Population Estimates of Warren County, Warren County Departments of Planning and Tourism.



Table II-9

**Accommodations Used by Visitors to the Adirondack Region**

Accommodation Type	Summer		Winter	
	US Residents	Canadian Residents	US Residents	Canadian Residents
Hotel/motel	25%	47%	30%	38%
Campsite	26%	22%	13%	14%
Home of friend or relative	13%	5%	13%	2%
Cottage	9%	5%	9%	3%
Resort	5%	12%	7%	5%
Camper	4%	6%	5%	0%
B&B	5%	1%	3%	2%
Vacation Home	4%	2%	10%	1%
House/condo rental	2%	0%	6%	1%
Other	8%	5%	7%	11%

Source: NYS Adirondack Regional Marketing Research Project, Ambrosino Research, Inc.

Note: Multiple responses.

**Trip Expenditures**

The average trip expenditure reported by visitors who were surveyed about their trip to the Adirondacks was \$406 for winter visitors and \$434 for summer visitors, including food, lodging, and “other” trip expenses. These expenditures translate into a per day expenditure of \$113 for winter visitors and \$96 for summer visitors.

The following discusses tourism trends in Quebec.

**Tourism in Quebec**

Each of Quebec’s nineteen tourist regions has its own appeal, ranging from nature, to history, to recreation. Tourism Quebec estimates that over 2.4 million international tourists entered

Quebec in 1998, up 6.8 percent from the previous year. Approximately 70 percent of these tourists were Americans. An estimated 60 percent of American tourists to Quebec arrive by car from the New England States.<sup>15</sup> In addition, in-person, e-mail, and telephone inquiries at information centers in Quebec were up approximately 4 percent from 1997 to 1998. Tourism continues to grow in Quebec. The Richelieu Valley area of Quebec, included as part of the NPS Study Area, contains several popular historic sites and attractions. Although attendance at all tourist attractions within the regions included within the Champlain Valley increased from 1996 to 1997, attendance at two of the most popular historic sites, Fort Lennox and Fort Chambly, decreased from 1996 to 1997.<sup>16</sup>

<sup>15</sup> Anne Drost, “International Corridors of Culture: Working Towards a Heritage Corridor in the Champlain-Richelieu Valley”, 1998.

<sup>16</sup> Tourism Quebec—Le Bulletin Touristique—attendance at tourist attractions by tourist region in June through September 1997.

### Tourism in the Lake Champlain Basin

A tourism survey prepared by MarketReach, Inc., of Burlington, VT for the Lake Champlain Basin Program, examined Heritage Tourism in the Lake Champlain Basin. Following is a discussion of study findings. All data in this section are from the MarketReach, Inc., study unless otherwise noted.

#### Origin of Heritage Tourists in Lake Champlain Basin

Overall, it was found that the most frequent visitors to Lake Champlain Basin (LCB) heritage sites are local residents; however, visitors to major heritage sites, such as Fort Ticonderoga, come from the greatest distances. Data in Table II-10 show the origins of visitors to the LCB.

When comparing the number of visitors to Vermont sites who are residents of New York with the number of visitors to New York sites who are residents of Vermont, it is interesting to note that there are nearly twice as many (16 percent) New York visitors to Vermont than there are Vermont visitors to New York (9 percent). It is also interesting to note that visitation to LCB historic sites by Canadians is only 2 percent.<sup>17</sup>

#### Visitation Frequency

Overnight visitors are more likely to be on their first visit to the LCB, while day-trip visitors are more likely to be repeat visitors to the heritage sites in the region. Data in Table II-11 show visit frequency to the LCB.

**Table II-10**

#### Origin of Visitors to the Lake Champlain Basin

Percentage of Visitors				
Residence of Visitors	Total Visitors	Visitors at		
		NY site w/o Ft. Ticonderoga	Visitors at Ft. Ticonderoga	Visitors at Vermont Sites
Lake Champlain Basin	30%	37%	12%	37%
VT	25%	9%	7%	41%
NY	32%	63%	39%	16%
US - not NY or VT	38%	26%	52%	41%
Canada	2%	2%	2%	2%
Other Countries	<1%	1%	1%	1%

Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc. Note: Percentages may not total to 100% due to rounding and if questions were left unanswered.

<sup>17</sup> The Canadian sites were not inventoried in the MarketResearch study; therefore, there is no estimate of the origins of visitors to Quebec sites.

Table II-11

**Visit Frequency of Lake Champlain Basin Heritage Site Visitors**

Visit Frequency	Day Trippers	Overnight Visitors
Frequently	62%	10%
More than once per year	10%	13%
Once per year	6%	17%
Every 2-4 years	4%	12%
Every 5-10 years	2%	5%
Each generation	0%	3%
Sporadically	10%	15%
First and only visit	5%	24%

*Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.*

**Length of Stay**

Although the average length of stay of all visitors to the Lake Champlain Basin is 7.4 days, length of stay varies by location of the sites being visited. In general, visitors to New York sites (excluding visitors to Fort Ticonderoga) tend to stay longer in the region (average of twelve days), as compared to visitors to Vermont sites with a mean length of stay of 7.8 days. These trends reflect the fact that more visitors to New York sites stay with friends or relatives or in a vacation home than Vermont visitors do (50 vs. 28 percent), while Vermont visitors are more apt to stay in hotels/motels or bed and breakfasts than New York visitors (41 vs. 21 percent). Data in the Table II-12 show visitor length of stay.

Table II-12

**Length of Visitor Stay**

Location/Area	Average Length of Stay (Days)
Visitors to Lake Champlain Basin	7.4
Visitors to New York Sites	12.0
Visitors to Vermont Sites	7.8

*Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.*

**Visitor Interests**

Although some visitors to the region were motivated to visit heritage sites by special interests in specific historic places, most (71 percent) of all visitors were motivated by general interest in the site. Data in Table II-13 show visitor motivations for visiting LCB heritage sites.

Table II-13

**Motivation of Heritage Site Visitors<sup>18</sup>**

Reason for Visit	Percent of Visitors
General Interest	71%
Interest in specific historic period or event	29%
Interest in specific historic place	22%
Interest in architecture, visual arts	12%

*Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.*

*Note: Multiple Responses*

<sup>18</sup> Note that categories chosen by less than 10% of visitors are omitted from the table

***Method of Learning about Cultural Tourism Sites in Lake Champlain Basin***

Word of mouth, general knowledge, and travel brochures are the most popular ways visitors to the LCB learn about the region's heritage sites. Given the small advertising budgets of many of the area's smaller and midsize attractions, it is not surprising that advertising awareness of residents of the LCB

is higher than that of residents of states other than New York and Vermont (22 percent versus 10 percent). Residents of the other states are more apt to learn about regional sites through travel brochures and guidebooks than are residents of the LCB and other areas of Vermont and New York. Data in Table II-14 show how visitors to the LCB region learned about the area's historic sites.

**Table II-14**

**Method of Learning of LCB Historic Sites Segmented by Visitor Residence**

<b>Method of Learning about LCB sites</b>	<b>All Visitors</b>	<b>LCB Residents</b>	<b>Vermont Residents</b>	<b>New York Residents</b>	<b>US, not Vermont or New York</b>
General Knowledge	49%	60%	59%	51%	42%
Word of mouth	33%	38%	36%	35%	29%
Travel Brochure	20%	12%	12%	19%	25%
Guidebook	18%	9%	7%	14%	28%
Ads	14%	22%	20%	15%	10%
Road Sign or Map	14%	12%	14%	12%	15%
By Chance	7%	6%	7%	6%	8%
Other historic sites	6%	7%	6%	8%	6%
Internet	1%	0%	1%	1%	2%

*Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.*

**Transportation to LCB Heritage Sites**

Reportedly, 91 percent of all visitors arrive at the area's heritage sites by automobile, motorcycle, or recreational vehicle, while only 3 percent of the visitors arrive via bus.<sup>19</sup> The MarketReach, Inc., report indicates that July is the month with the greatest number of bus tours to the region and that buses originate in the Lake Champlain region or in New York State.

**Visitor Spending**

The MarketReach, Inc., study conclusions of visitor spending patterns are based on a survey question that asked visitors at heritage sites how much money they would spend on their trip to the Lake Champlain area (excluding hotel expenses.) Overnight visitors estimated that they would spend \$390 for the entire stay (excluding lodging), and day-trip visitors estimated that they would spend \$60.

In 1995, Kuentzel and Valliere conducted a study of New York and Boston residents who had responded to travel information while *planning* a trip to the area. It was found that an average trip to Vermont with a duration of 4.43 days was estimated to cost a total of \$1,096, or \$247, per day including lodging.<sup>20</sup>

MarketReach, Inc., concludes that the differences between the findings in their study and the Kuentzel and Valliere study may be due to the fact that the samples were two very different audiences and that many of the heritage site visitors are staying in their own homes or with friends and relatives. In addition, the Kuentzel and Valliere study polled prospective visitors, and the Market Reach, Inc., study surveyed visitors who were actually on their trip to Vermont.

The Market Reach, Inc. study found the following:

- Overnight visitors spend \$390 per trip versus the day-trip visitors' who spend \$60 per trip.
- Visitors living in the United States, but outside of New York and Vermont, spend \$427 per trip versus \$92 spent by LCB visitors.
- Visitors who are between the ages of 36 and 55 years spend \$341 on a trip versus \$257 spent by those between the ages of 19 and 35 years.
- By month of visit, August visitors spend \$367 versus \$177 spent by October visitors.
- Visitors who come to cultural and heritage sites in the LCB once per year spend \$411 (with a stay of 8.5 days) versus the \$230 expenditure by those who come more than once per year (with a total stay of 14.1 days).
- Visitors who originate from areas outside the LCB spend an average of \$368.

Data in Table II-15 summarize estimated trip expenditures in the Lake Champlain Basin.

The data below indicate that there is wide variation in reported trip expenditures, depending upon whether or not lodging is included within the expenditure estimate. Of those three estimates that exclude lodging, per visitor trip expenditures range from \$232 to \$390. These estimates based on surveys of visitors while on their trips are likely to be more representative of actual expenditures than those reported by prospective visitors to Vermont, as in the Kuentzel and Valliere study. A per visitor trip expenditure range of \$232 to \$390 (excluding lodging) will be used in the evaluation of Champlain Valley heritage preservation options.

<sup>19</sup> 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.

<sup>20</sup> Kuentzel and Valliere, 1996 Summer/Fall Inquiry Study, UVM School of Natural Resources

Table II-15

## Estimated Trip Expenditures in Lake Champlain Region

Source	Average Per Visitor Trip Expenditure for Overnight Visitors	Average Length of Stay (days)	Daily Expenditure	Notes
MarketReach, Inc. <sup>21</sup>				
1996 LCB Cultural Heritage Tourism Survey	\$ 390	7.4	\$ 52.70	Excluding Lodging
Kuentzel and Valliere, 1995 Summer/Fall Inquiry Study, for the VT Dept of Travel and Tourism	\$1,096	4.43	\$247.40	Including Lodging
Institute for NH Studies, 1996, Scenic and Cultural Byways Visitor Survey, Connecticut River Valley	\$ 232	2.0	\$116.00	Excluding Lodging
UVM 1996 Lake Champlain Passenger Survey	\$ 254	N/A	N/A	Excluding Lodging

Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.

**Tourist Group Composition**

It is estimated that only 20 percent of the visitors to the LCB travel in groups. The MarketReach study indicates that of all the visitors to the LCB heritage tourism sites:

- ▶ 10 percent traveled alone.
- ▶ 37 percent traveled as two adults.
- ▶ 33 percent traveled with children.

**Repeat Visitation**

The percentage of visitors to the LCB indicating that they would return “frequently” or “more than once” to visit cultural heritage sites or historic districts in Vermont, New York, or Quebec are represented in Table II-16, segmented by visitor type.

Table II-16

## Percentage of LCB Heritage Site Visitors Who Indicated that They Would Return to the Region “Frequently” or “More Than Once”

Visitor Type	Percentage of Total
Day Trippers	81%
Residents of Lake Champlain Region	86%
Vermont Residents	86%
New York Residents	56%
Canadians	37%
Other US residents	23%
Visitors living in countries other than Canada	0%

Source: 1996 Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan, MarketReach, Inc.

<sup>21</sup> Note Day Trip Visitors report spending an estimated \$60 on their excursion.

Overall, day-trippers, residents of the Lake Champlain Region, and Vermont residents are important candidates for frequent or repeat visitation.

#### ***Economic Impact of Lake Champlain Basin Tourism***

A 1993 study of the economic impact of Lake Champlain Basin tourism by Holmes and Associates and Anthony Artuso, for the Lake Champlain Management Conference<sup>22</sup> concludes the following:

- LCB tourism-related expenditures were estimated at \$2.2 billion in 1990 (71 percent attributed to Vermont and 29 percent attributed to New York).
- Approximately \$880 million or 40 percent of the total tourism expenditures in the LCB occur in shoreline towns.
- Expenditures of tourists living within the LCB were estimated at \$968 million in 1990 and account for 44 percent of all LCB tourism expenditures in that year.
- In fiscal year 1992, a total of 7.9 million non-US residents entered the United States through 14 points that serve the LCB.

#### **Baseline Summary**

As tourism has been an important component of the economies of Champlain Valley towns since before the turn of the 20th Century, the tourism infrastructure in the region is well developed overall. The region is easily accessed from major metropolitan markets including Montreal, Boston, and New York, via Interstates 87 and 89. Additionally, several bus tour companies operate within the region, and the Lake Champlain ferries provide transportation east-to-west across Lake

Champlain between New York and Vermont. With over 1,100 properties containing more than 25,000 rooms and 17,000 campsites, accommodations in the region are abundant, ranging from camp grounds to budget hotels/motels to high-end lodges. Attendance levels and characteristics of visitation at some of the region's popular heritage attractions suggest that May to October is the most popular time to travel in the region, and that during this time of the year, the Champlain Valley Region is visited by a high volume of tourists. Despite the well-developed tourism infrastructure, the high volumes of tourists, and the capacity of the region to be able to accommodate additional visitors, there is a need for enhanced marketing, cross-promotion, and advertising of the attractions within the region.

The Lake Champlain region's historic sites are visited by million of visitors each year, many of whom originate within the Lake Champlain region. Although the average length of stay of all visitors to the LCB is 7.4 days, length of stay varies by relative location of the sites visited.<sup>23</sup> It is also interesting to note that there are nearly twice as many New York resident visitors to Vermont as there are Vermont resident visitors to New York. Visitors to Vermont sites tend to have shorter stays while those visiting New York sites tend to have longer stays. Per visitor trip expenditures in the region also vary widely. Based on the sources reviewed in this report, per visitor trip expenditures in the LCB (excluding lodging) range from \$232 to \$390. Overall LCB tourism related expenditures were estimated at \$2.2 billion in 1990.<sup>24</sup>

Ultimately, visitor characteristics and estimates of visitor volume, expenditures, and length of stay vary from study to study, region to region. Accordingly, this baseline does not attempt to quantify this data based on the definition of the Champlain Valley Study Area and the available data. Rather, the discussion of the tourism indicators provided will inform the assessment of Champlain Valley heritage preservation options, based on the overall context of tourism in the region.

<sup>22</sup> 1993. Lake Champlain Economic Database Project, Holmes and Associates and Anthony Artuso, Lake Champlain Basin Program, Technical Report No. 4A. The Province of Quebec is not addressed in this study.

<sup>23</sup> MarketReach, Inc.

<sup>24</sup> 1993. Lake Champlain Economic Database Project, Holmes and Associates and Anthony Artuso. Lake Champlain Basin Program. Technical Report No. 4A.

### SECTION III: CHAMPLAIN VALLEY STUDY AREA FRAMEWORK FOR EVALUATION

This section of the report outlines the economic impact evaluation approach for the Champlain Valley heritage preservation options.

This section of the report contains the following information:

- Description of the options for the Champlain Valley study area;
- Implementation timing for each of the options;
- Framework for economic impact evaluation.

### OPTIONS FOR HERITAGE PRESERVATION IN THE CHAMPLAIN VALLEY

The National Park Service (NPS) has developed four options for approaching heritage preservation and tourism in the Champlain Valley Region, including: 1) continuation of current practices; 2) provincial and state heritage corridor designation; 3) national heritage corridor designation; and 4) a quadri-centennial commemoration of Samuel de Champlain's arrival in the valley.

#### Continuation of Current Practices in the Champlain Valley

In this option, no additional federal involvement would be pursued and no new NPS programs would be established to provide technical assistance or additional funding to organizations in the Champlain Valley. States, private foundations, and other organizations would continue to provide the primary source of funds for the protection of heritage resources in the corridor and the continued development of tourism infrastructure. Regional and local initiatives, such as the Lake Champlain Byways project and the Lake Champlain Basin Program, would continue unchanged. In addition, all land ownership, regulation and policies would remain unchanged. Binational efforts between Canada and the United States would be limited to periodic conferences focusing on tourism.

#### Provincial and State Heritage Corridor Designation

Under this option, modeled after the St. Croix International Waterway and Commission, the governments of Vermont, New York, and Quebec would enact parallel legislation to establish a heritage corridor. A coordinating entity would be established for the purpose of preparing a heritage plan for the corridor. In this option no additional federal involvement would be pursued. Again, the Park Service would not undertake any efforts to establish new funding or technical assistance programs to aid entities within the corridor. The benefit of this option would be that management functions would be centralized, allowing for more effective communication among the states and Quebec, avoiding replication of efforts, and providing cross-boundary cooperation and coordination. This could lead to more effective management and allocation of resources needed to preserve, protect, and promote heritage tourism in the corridor.

#### National Heritage Corridor Designation

Modeled after the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island and the Quinebaug and Shetucket Rivers Valley National Heritage Corridors in Connecticut, this option would establish a national heritage corridor through Congressional legislation. A public/private coordinating entity would be established by the legislation for the purpose of preparing a heritage plan and implementing the plan in accordance with other entities. Parks Canada would be represented on the coordinating entity and, if desired, could enact parallel legislation to extend the corridor north of the international boundary. In this option, the National Park Service (NPS) would provide technical assistance to the coordinating entity as requested. NPS could also be called upon to assist in establishing an interpretation and identity plan for the Champlain Valley. This plan could include the development of a consistent signage system, corridor-wide publications and maps, and "virtual visitors centers." The interpretation plan would serve to increase visitor awareness of the heritage sites within the corridor. NPS would also assist in developing visitor amenities and educational outreach activities if requested. An annual appropriation of federal funds would be made to the coordinating entity for a period of ten



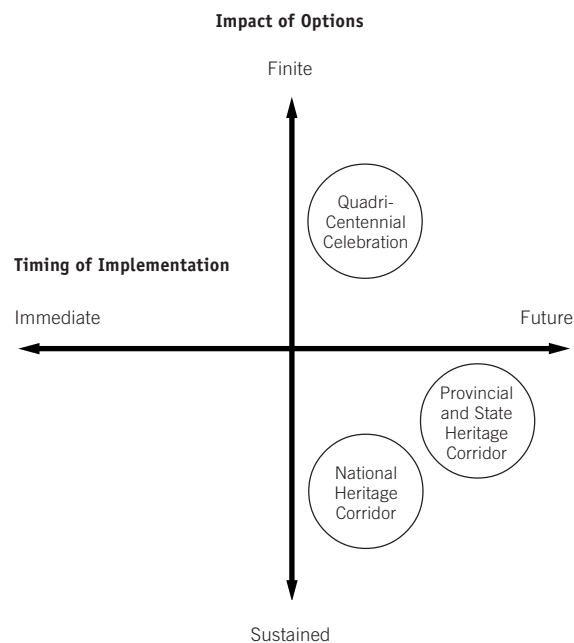
years. Additionally, funds would be made available to organizations within the corridor under existing federal programs.

#### Quadricentennial Commemoration

This option would be initiated to commemorate the 400th anniversary of Samuel de Champlain's arrival in the valley during the years 2003 to 2009. The commemoration would be a binational effort that would be initiated through legislation authorizing a body to oversee commemoration efforts. The coordinating body would be a public/private partnership comprised of a mix of federal, state, and provincial, nonprofit, and private entities. NPS would be involved through participation on the coordinating body and through technical assistance upon request. The coordinating body would identify and implement the actions necessary to commemorate historic events in the Champlain/Richelieu Valley. The effort would be finite, but would provide additional funding for the valley, and access to federal technical assistance. This option would also provide an opportunity for the valley to receive federal recognition. At least on a temporary basis, there would be increased cross-boundary cooperation and coordination.

#### IMPLEMENTATION TIMING FOR EACH OF THE OPTIONS

Each option presented has costs and benefits and has consequences in terms of timing of implementation and duration of benefits. For the purposes of this economic impact evaluation, the timing of implementation of options will be characterized on a continuum of immediate to delayed, and the impact of each of the options will be characterized on a continuum from finite to sustained. The following graphic characterizes the timing of implementation and duration of benefits from each option. Note that Option 1, continuation of current practices, is not included in the graphic, as there is no measurable impact associated with the option.



The diagram above shows that both national heritage corridor designation and provincial and state heritage designation will take place over a sustained period and will have sustained impacts on tourism in the region, while the quadricentennial commemoration will be an event that is finite in length and

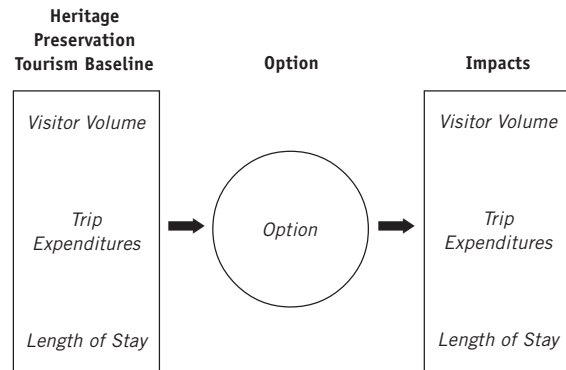
may or may not have sustained impacts.<sup>25</sup> However, it is possible that the “hype” associated with a quadricentennial commemoration will serve as a catalyst for future heritage preservation efforts, thereby creating a sustained effect on tourism in the region. In terms of timing of implementation, it is likely that the national heritage corridor could be established in a more timely fashion than a provincial and state designated corridor, based on the NPS experience in establishing heritage corridors in the Blackstone and Quinebaug-Shetucket River Valleys. Documentation of the lengthy process of establishing the St. Croix International Waterway supports these assumptions. With NPS involvement and study of previous models such as the commemoration of the 250th birthday of Thomas Jefferson and De Soto Expedition Trail Commission, it is likely that a quadricentennial commemoration could be implemented in an efficient and timely fashion.

#### FRAMEWORK FOR ECONOMIC IMPACT EVALUATION

The framework for evaluation of the economic impact of each of the proposed options is predicated on the baseline evaluation of tourism activity in the Champlain Valley and a solid understanding of the characteristics of each of the options proposed. Although economic impact is a function of many variables, this analysis focuses on potential increases in visitor volume, trip expenditures, and length of stay. The economic impacts of each of the options are qualitatively characterized (small increase, moderate increase, large increase), then quantified based on the estimates from the baseline analysis. The following diagram represents the analytical approach to the economic impact evaluation.

#### FRAMEWORK FOR ECONOMIC IMPACT EVALUATION OF HERITAGE PRESERVATION OPTIONS

##### SECTION IV: CHAMPLAIN VALLEY PRESERVATION OPTIONS ECONOMIC IMPACT EVALUATION



The purpose of this section is to discuss the economic impact of the Champlain Valley heritage preservation options.

The following information is included in this section:

- Qualitative assessment of the impact of Champlain Valley heritage preservation options;
- Orders of magnitude assessment of the impact of Champlain Valley heritage preservation options.

This analysis focuses on economic impact as a function of four parameters: visitor volume in the region, number of day-trippers vs. overnight visitors, trip expenditures, and length of stay. The analysis examines orders of magnitude relative to each of the options; it does not take into account indirect economic impacts (such as new employment opportunities) as a result of the implementation of the options. The analysis works off the baseline established for tourism in the Lake Champlain Basin; it does not take into account potential impacts on the northern and southern portions of the Study Area.

<sup>25</sup> A National Heritage Corridor would have a “sunset” clause in legislation, limiting NPS financial and technical assistance to a ten-year period. Designation, however, is permanent.

**QUALITATIVE ASSESSMENT OF HERITAGE  
PRESERVATION OPTIONS**

For this portion of the analysis, the potential impacts of each of the four options are described for each of *three* parameters—visitor volume in the region, trip expenditures, and length of stay. The descriptors in Table IV-1 show the potential effects of each of the options. Since there are no changes associated with the continuation of current practices, the effects of this option on the three factors mentioned above are assumed to equal the baseline described in Section II.

It is assumed that all three options will result in an increase in visitation to the region due to an enhanced product and increased efforts to promote and market heritage attractions. These efforts may increase potential and actual visitor awareness of the many cultural attractions and recreational opportunities offered to them. Accordingly, visitors may take longer

trips or may visit the region more frequently. Trip expenditures are likely to increase in all three scenarios as well, as there may be increased spending opportunities associated with merchandising of heritage corridor and quadricentennial commemoration items and other spending opportunities. Overall, it is likely that each of the options could have a substantial economic impact on the region. Data in Table IV-2 show the assessment of the estimated annual economic impact of each of the three options on the Champlain Valley, based on assumptions regarding visitor volume, percent of day trippers vs. overnight visitors, length of stay, and trip expenditures. The impact of each of the options on visitor volume, length of stay, and visitor spending will be discussed in turn. Note that continuation of current practices will have no additional impact on heritage preservation and on the overall tourism economy in the region; therefore, this option is not shown in Table IV-2.

**Table IV-1**  
**Qualitative Assessment of the Impact of Champlain Valley Heritage Preservation Options**

	<b>Continuation of Current Practices</b>	<b>Provincial and State Heritage Corridor</b>	<b>National Heritage Corridor</b>	<b>Quadri-Centennial Commemoration</b>
Visitor Volume	Baseline	Small to Moderate Increase	Moderate to Large Increase	Large Increase
Trip Expenditures	Baseline Increase Increase	Small to Large Increase	Moderate to Moderate	Small to
Length of Stay	Baseline	Small to Moderate Increase	Small to Moderate Increase	Small Increase
Total Economic Impact	Baseline	Small to Moderate Increase	Moderate	Small to Moderate Increase

Source: The Office of Thomas J. Martin.

### Visitor Volume

Data in Table IV-2 show the impact of the options on visitor volume as a function of additional visitor trips<sup>26</sup> to the area per year over the baseline. All three options will have a positive effect on visitor volume; however, the magnitude of additional visitor volume differs by option. The quadricentennial commemoration may well attract more visitors to the area than the other two options. This would occur as a result of the many ongoing special events and activities associated with the quadricentennial commemoration and the concentrated and focused efforts of participating entities over a finite period of time. In the case of the quadricentennial commemoration, the majority of these additional visitors are likely to be day-trippers coming to special events.

National heritage corridor designation is likely to attract more additional visitors than would provincial and state corridor designation. Brand recognition of NPS products and activities, along with the development of additional visitor centers and informational kiosks, underlies this assumption. In addition, NPS has significant experience in developing and implementing these types of projects, and visitors probably have visited or have heard of an NPS-managed facility in the past. Increases in annual visitor volume of 75,000, 100,000, and 125,000 visitor trips over the baseline represent a conservative, yet realistic, estimate, based on our experience with similar projects, a review of tourism research, and existing visitor volume in the Region.

### Day-Trippers versus Overnight Visitors

Baseline research indicates that 40 to 60 percent of all trips to the region are day trips. For this analysis the percentages of day-trippers versus overnight visitors are estimated to be equal, with each representing 50 percent of the total number of visitors. Just as visitor volume is likely to vary by option, so too will the percentage of day versus overnight trips. Percentages shown in Table IV-2 relate to the number of additional trips. For example, it is estimated that provincial and state heritage

corridor designation will result in 75,000 additional visitor trips per year, of which 35 percent will be day trips and 65 percent of the additional trips will be overnights.

Although the balance between day-trippers and overnight visitors will be similar for both heritage corridor designation options (35 percent vs. 65 percent and 30 percent vs. 70 percent, respectively), it is likely that national heritage corridor designation will result in a greater percentage of overnight visitors than would provincial and state heritage corridor designation. This effect would be a result of NPS experience in marketing and promoting these types of projects and of NPS brand recognition on an international level.

The quadricentennial commemoration is a special case, as activities associated with the commemoration would occur for a finite time period, while the other plans would create permanent expansion of interpretive and marketing programs. The mix of day versus overnight visitors at the quadricentennial commemoration is likely to be skewed heavily toward day-trippers (65 percent of additional trips), as these types of commemorations focus heavily on weekend, holiday, and weekday afternoon events. Promotion of events is likely to be more local than national or international, therefore attracting more regional residents than long distance visitors. However, the events associated with the commemoration (primarily major events such as an opening and closing ceremony in the years 2003 and 2009) will attract visitors from outside of the region.

### Average Length of Stay

Based on the findings of the 1996 *Lake Champlain Basin Cultural Heritage Tourism Survey and Marketing Plan* and a review of other tourism research reports focusing on the Champlain Valley, the baseline estimate of average length of stay of visitors to the region is set at 7.4 days. Due to a potential for increased visitor awareness of the region's cultural heritage opportunities and increased promotional efforts and events associated with cultural heritage in the Champlain Valley, it is reasonable to assume that both heritage corridor development options could serve to increase visitor length of stay in the region by one day (over the baseline of 7.4 days.) It is also assumed that initiation of the quadricentennial commemoration

<sup>26</sup> Visitor trips does not equal visitors. The number of actual visitors to the region may be less than the estimated number of visitor trips due to repeat visitation, particularly by the resident market.

Table IV-2

## Champlain Valley Study Area

## Estimated Annual Economic Impact of Heritage Preservation Options

	Baseline Assumptions		Provincial and State Heritage Corridor Designation		National Heritage Corridor Designation		Quadricennial Commemoration	
	Day Trip	Overnight	Day Trip	Overnight	Day Trip	Overnight	Day Trip	Overnight
Visitor Volume (additional trips per year)	0		75,000		100,000		125,000	
Percent Day vs. Overnight (of additional trips)	50%	50%	35%	65%	30%	70%	65%	35%
Average Length of Stay (days)/1	1	7.4	1	8.4	1	8.4	1	7.4
Visitor Spending (average per visitor per day)/2	\$ 35	\$ 100	\$ 37	\$ 105	\$ 37	\$ 105	\$ 39	\$ 110
Impact/3			\$971,250	\$34,758,750	\$1,110,000	\$49,910,000	\$3,168,750	\$28,831,250
<b>Total Impact</b>				\$35,730,000		\$51,020,000		\$32,000,000

Source: The Office of Thomas J. Martin

/1 Assumes provincial and state corridor designation will add one day to the average length of stay, national corridor designation will add one day, and the quadricennial celebration will have no effect on average length of stay.

/2 Assumes 5% increase in spending associated with both national and state and provincial corridor designation and 10% increases associated with quadricennial celebration (estimate includes lodging).

/3 Assumes 20% of overnight visitors stay with friends or relatives and that the daily expenditures of those visitors are the same as those of day-trippers.

will have no effect on average length of stay in the region, as the majority of the additional trips induced as a result of the commemoration will be regional day trips.

### Visitor Spending

A baseline of visitor spending of \$35 per day trip visitor and \$100 per overnight visitor per day (including lodging) is estimated. These are relatively conservative estimates based on our experiences with similar projects and a review of the tourism studies focusing on the region.

The implementation of any of the options will lead to increased sales opportunities due to merchandising associated with the heritage corridor or quadricentennial commemoration and a proliferation of retail outlets such as additional or larger gift shops at attractions, vendors, new restaurants, etc. Our estimate of visitor spending assumes that there will be a 5 percent increase over the baseline associated with the national, provincial, and state heritage corridor designation. It is assumed that there will be a 10 percent increase in visitor

spending (over the baseline) associated with the development of the quadricentennial commemoration due to particularly good merchandising opportunities associated with the event.

### Total Economic Impact

Total economic impact as estimated in Table IV-2 is a function of visitor volume, the percentage of day trip versus overnight visitors, the average length of stay of visitors, and visitor spending. It is estimated that the potential direct economic impact of the options on the region could range from \$32 million to \$51 million per year. In addition to direct impacts, there will be indirect and induced effects of the proposed actions. These will increase the *total* project impact. Although other factors not considered in this analysis might affect the impact and suitability of implementing any one option, there are clear differences in the estimates of economic impacts.

On an average annual basis, data in Table IV-2 show that national heritage corridor designation will have the greatest impact (\$51 million) followed by provincial and state heritage

**Table IV-3**  
**Champlain Valley Study Area Ten Year Impact Projection**

Year	2003	2004	2005	
Annual Growth as a Percentage of Estimated Annual Economic Impact (\$ millions) 1/	105%	104%	102%	
Provincial and State Heritage Corridor	\$ 37,516,500	\$ 9,017,160	\$ 38,266,830	
National Heritage Corridor	\$ 53,571,000	\$ 55,713,840	\$ 54,642,420	
	105%	104%	102%	
Quadri-centennial Celebration	\$ 33,600,000	\$ 33,280,000	\$ 32,640,000	

1/ Growth is primarily a function of an increasing number of annual visits as awareness of heritage initiatives increase.

Note: assumes all initiatives begin (or open) in 2003.

Source: The Office of Thomas J. Martin.

corridor designation (\$36 million) and the quadricentennial commemoration (\$32 million). However, the quadri-centennial commemoration will occur over a set period, while the corridor designation options would represent ongoing improvements. Therefore, it is important to examine the effect of the options over time. Data in Table IV-3 show the ten-year impact projection of each of the options.

Although the “sunset” clause for a national heritage corridor designation would limit federal funding and technical assistance, the designation is permanent. Therefore, it is assumed that the heritage corridor designation and the subsequent economic impacts will continue beyond ten years. The quadricentennial commemoration will be finished after seven years (although the publicity generated by the commemoration and associated infrastructure development may have impacts that continue beyond that time period). Annual growth percentages in Table IV-3 reflect estimated changing visitation patterns over time. Spikes in the years 2003 and 2009 reflect special initiatives or events commemorating Champlain’s

presence in the Champlain/Richelieu Valley. After the initial excitement of the opening of the corridor or kick off of the commemoration, visitation is likely to decline during the second year and then rise steadily as awareness of the initiatives grows. Although the quadricentennial commemoration ends in 2009, the impacts may well continue as reflected by data in Table IV-3.

The order of magnitude of the cumulative economic impacts of the three options after ten years are similar to the order of magnitude of the estimated annual impact as shown in Table IV-2. National heritage corridor designation has the largest cumulative ten-year impact (\$557 million), followed by provincial and state heritage corridor designation (\$390 million) and the quadricentennial commemoration (\$266 million.) Although other factors not considered in this analysis (such as cost of implementation of each of the options) might affect the relative attractiveness and impacts of the options, this analysis concludes that all of the options will have a positive economic impact on the tourism economy or the region.

	2006	2007	2008	2009	2010	2011	2012	
	103%	103%	104%	110%	104%	105%	105%	Cumulative Economic Impact
	\$ 38,641,995	\$ 38,641,995	\$ 39,017,160	\$ 41,268,150	\$ 39,017,160	\$ 39,392,325	\$ 39,392,325	\$ 390,171,600
	\$ 55,178,130	\$ 55,178,130	\$ 55,713,840	\$ 58,928,100	\$ 55,713,840	\$ 56,249,550	\$ 56,249,550	\$ 557,138,400
	103%	103%	104%	110%	50%	25%	25%	
	\$ 32,960,000	\$ 32,960,000	\$ 33,280,000	\$ 35,200,000	\$ 16,000,000	\$ 8,000,000	\$ 8,000,000	\$ 265,920,000

